



Taxation of Primary Residential Property



Utah State Tax Commission

Property Tax Division

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Salt Lake City, Utah 84134

(801) 297-3600

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www.tax.utah.gov

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811, or TDD (801) 297-2020. Please allow three working days for a response.

General Information

Property taxes are one of the primary sources of funds for local governments, counties, school districts, cities, towns and special agencies such as water and sewer districts. The following are examples of *local* services funded by your property taxes:

- fire and police protection
- libraries
- jails
- schools
- road repairs

The state and federal government do not receive any revenue from your property tax.

Property taxes are based upon the market value of your property. Market value reflects the value of your property as of January 1 of each tax year. The county assessor determines the market value and the taxable value of your property.

Taxable value is the value used to calculate taxes due on your property. A primary residence (both land and buildings) receives a 45 percent reduction from market value. For all other classes of property, the taxable value is the same as the market value.

Example:

Primary residence market value	\$100,000
Residential exemption 45%	- 45,000
Taxable value	\$ 55,000
(\$100,000 x .55 = \$55,000)	

Cyclical Reappraisal

The legislature requires that county assessors annually update property values. Assessors are also required to complete a detailed review of property characteristics for each property at least once every five years. The Tax Commission may take corrective action if county assessment levels do not meet established standards.

What is Taxed?

The primary residence is any dwelling used as a full-time residence and can include up to one acre of land. Rental homes and apartments also qualify as primary residences. However, vacation homes, cabins, time-shares or other types of transitory housing do not qualify as primary residences.

Property taxes are not charged on home furnishings or furniture except where they are part of a furnished rental property.

Market vs Taxable Value

Market value is the price your property would sell for if it were offered for a reasonable amount of time. This assumes that both the buyer and seller are unrelated, well-informed and under no pressure to buy or sell the property.

Tax Rates

Tax rates are set by the various entities with the legal power to levy taxes. These governmental entities include counties; school districts; cities and towns; and special taxing districts, such as water and sewer districts and cemetery districts.

The "Notice of Valuation and Tax Changes" and your "Tax Notice" indicate the amount you pay to each taxing entity. To calculate your taxes, multiply your taxable value by the tax rate.

Example:

$$\begin{aligned} \text{Taxable value} \times \text{Tax rate} &= \text{Tax due} \\ \$55,000 \times .0125 &= \$687.50 \end{aligned}$$

Tax Relief

File applications for tax relief with the county by September 1 of each year.

Veteran's Exemption

Disabled veterans and their surviving spouses and orphans are eligible for this exemption.

Blind Exemption

The exemption is available to the visually impaired and their surviving spouses, and orphans. Utah law defines the qualifying vision impairments.

Note: Applications for all types of tax relief must be filed on an annual basis.

Indigent Abatement/Deferral

The county is allowed to abate one-half the tax due, up to \$637 in taxes or one-half the tax due, whichever is less. The abatement applies only to the applicant's residence. To qualify, household income must be less than an amount specified by the legislature, and applicants must be 65 years of age or older. Applicants under 65 may qualify if they are disabled or can show circumstances of extreme hardship.

Circuit Breaker

The circuit breaker tax credit applies to both homeowners and renters. To qualify, you must be at least 65 years of age or a widow or widower and your annual income cannot exceed an amount specified by the legislature.

Appeals

A "Notice of Property Valuation and Tax Change" is mailed to every property owner each summer. It shows any change in market value and proposed changes in property taxes. If you disagree with the market value of your property, you have 45 days to file an appeal with the County Board of Equalization. The board is comprised of your county legislative body (commissioners or council). Appeal instructions are provided on your "Notice of Property Valuation and Tax Changes."

Your appeal must address the issue of market value, not the tax rate. Evidence supporting your estimation of the market value must be included in the appeal. If you do not agree with the county's decision, you may appeal to the State Tax Commission. Appeals to the Tax Commission must be filed with your county auditor, within 30 days after the final action of the county board.

Delinquent Taxes

Taxes become delinquent if they are not paid by November 30 of each year. A 2 percent penalty is assessed if the payment is late. If taxes remain unpaid by January 16 of the following year, an interest penalty is charged.

For More Information

Contact your **county assessor** if you have questions regarding:

- property value
- residential exemptions

Contact your **county auditor** if you have questions regarding:

- tax relief programs and income limitations
- tax rates
- valuation appeals

Contact your **county recorder** if you have questions regarding:

- ownership
- mailing address
- Legal descriptions
- legal descriptions

Contact your **county treasurer** if you have questions regarding:

- delinquent taxes
- tax payments